

U.S. Department of Energy  
Washington, D.C.

PAGE CHANGE

DOE O 430.1 Chg1

10-26-95

SUBJECT: LIFE CYCLE ASSET MANAGEMENT

1. PURPOSE. To transmit revised pages to DOE O 430.1, LIFE CYCLE ASSET MANAGEMENT, of 8-24-95.
2. EXPLANATION OF CHANGE. Based on a decision by the Directives Management Board, Departmental Safety Orders, and other selected Orders, will reflect no expiration date to clarify that they will remain in effect until superseded or replaced. Therefore, these Orders will show only an Approval Date and Review Date. The Directives System review cycle is discussed in DOE M 251.1-1, DIRECTIVES SYSTEM MANUAL, of 10-16-95,
3. FILING INSTRUCTIONS.
  - a. 

<u>Remove Pages</u>	<u>Dated</u>	<u>Insert Pages</u>	<u>Dated</u>
1 and 2	8-24-95	1	10-26-95
		2	8-24-95
  - b. After filing the attached pages, this transmittal may be discarded.

BY ORDER OF THE SECRETARY OF ENERGY:



ARCHER L. DURHAN  
Assistant Secretary for  
Human Resources and Administration

**DISTRIBUTION:**

All Departmental Elements

**INITIATED BY:**

Office of Human Resources and  
Administration

**U.S. Department of Energy**  
**Washington, D.C.**

**ORDER**

DOE O 430.1

Approved: 08-24-95  
Review Date: 08-24-97

SUBJECT: LIFE CYCLE ASSET MANAGEMENT

Chg 1: 10-26-95

1. OBJECTIVES. The Department of Energy (DOE), in partnership with its contractors, shall plan, acquire, operate, maintain, and dispose of physical assets as valuable national resources. Stewardship of these physical assets shall be accomplished in a cost-effective manner to meet the DOE mission. This shall incorporate industry standards, a graded approach, and performance objective.
2. IMPLEMENTATION. This Order shall be implemented on a site-by-site basis through the establishment, by contract or financial assistance agreements, of site-specific performance criteria and a performance measurement system. The existing Orders listed below and already implemented in current contracts remain in effect until such incorporation takes place. Additionally, for specific facilities under the purview of the Defense Nuclear Facilities Safety Board, DOE 4330.46, MAINTENANCE MANAGEMENT PROGRAM, and DOE 6430.1A, GENERAL DESIGN CRITERIA, remain in effect until 10 CFR 830.340, MAINTENANCE MANAGEMENT, and DOE O 420, FACILITY SAFETY, for defense nuclear facilities are issued as finals by the Assistant Secretary for Environment, Safety, and Health. For sites not managed by a contractor, implementation shall occur when the responsible DOE organization has completed the development of appropriate performance measures.
3. CANCELLATION. The following directives are deleted or consolidated into this Order and shall be phased out as noted in paragraph 2:

DOE 1332.1A	UNIFORM REPORTING SYSTEM
DOE 4010.1A	VALUE ENGINEERING
DOE 4300.1C	REAL PROPERTY MANAGEMENT
DOE 4320.16	SITE DEVELOPMENT PLANNING
DOE 4320.2A	CAPITAL ASSET MANAGEMENT PROCESS
DOE 4330.4B	MAINTENANCE MANAGEMENT PROGRAM
DOE 4330.5	SURPLUS FACILITY TRANSFER
DOE 4540.1C	UTILITY ACQUISITION AND MANAGEMENT
DOE 4700.1	PROJECT MANAGEMENT SYSTEM
DOE 4700.3	GENERAL PLANT PROJECTS
DOE 4700.4	PROJECT MANAGER CERTIFICATION
DOE 5700.2D	COST ESTIMATING, ANALYSIS, AND STANDARDIZATION
DOE 6430.1A	GENERAL DESIGN CRITERIA

Vertical line denotes change.

**DISTRIBUTION,**  
All Departmental Elements

**INITIATED BY:**  
Office of Field Management.

4. APPLICABILITY. This Order applies to all DOE elements except the Naval Reactors/Naval Nuclear Propulsion Program. This Order does not preclude issuance of program directions unrelated to asset management systems. While this Order applies to all the physical assets in DOE, there are additional requirements for special and nuclear facilities that are the responsibility of the Assistant Secretary for Environment, Safety, and Health to develop and maintain.
5. DEFINITIONS. See Attachment 1.
6. REQUIREMENTS.
  - a. DOE elements shall use a value-added, quality driven, graded approach to life-cycle asset management.
  - b. Every site shall be supported by a Headquarters program office that functions as the landlord. Landlords shall coordinate their facilities management activities to provide a consistent corporate approach to facilities management, especially at multi-program sites. At single program sites, the responsible program office shall perform the landlord responsibilities.
  - c. Assets management performance measures shall be based upon best industry practice and shall be commensurate with the value and importance of the asset using a graded approach.
  - d. Asset management performance measures shall ensure formal, comprehensive, integrated, documented planning, and control methods for the acquisition, use, maintenance, and disposal of physical assets, including real estate and energy and utilities. This shall address, but shall not be limited to, the following:
    - (1) A comprehensive land-use planning process with stakeholder involvement.
    - (2) The efficient and effective acquisition, management, and use of energy and utilities.
    - (3) The management of backlogs associated with maintenance, repair, and capital improvements.
    - (4) A method for the prioritization of infrastructure requirements.
    - (5) A method to declare assets surplus
  - e. The process for physical asset acquisition shall be an integrated, systematic approach that shall ensure, but shall not be limited to, the following: